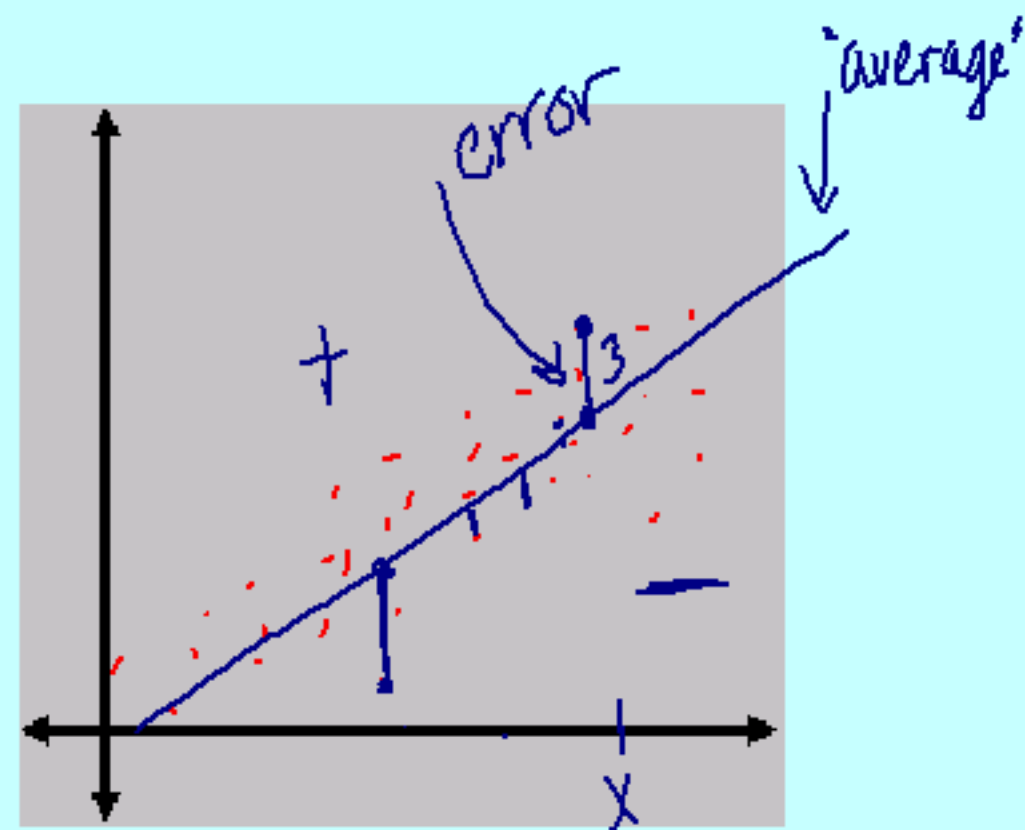


Chapter 2 *section 3* Line of Best Fit

$$\text{errors} = \text{actual } y - \text{predicted } y$$

From line

$$\sum + \text{errors} = \sum - \text{errors}$$



Linear Regression Line:

- **straight line**
- **Describes how...** a response variable (y) changes as an explanatory variable (x) changes
- ✱ **Used to ... predict the value of y for a given value of x**
- **Requires that... there is an explan. and resp. variable**

Most accurate Regression line:

- Called: **Least Squares Regression line (LSR line)**

- Definition: minimizes... **the errors (in the y direction)**

Form: $\hat{y} = a + bx$ ~~$y = mx + b$~~

Annotations:
 - \hat{y} : sample
 - a : int.
 - b : slope

- Pieces:

AP Formula Sheet

$b = \text{slope} = r \left(\frac{s_y}{s_x} \right)$ $b_1 = r \left(\frac{s_y}{s_x} \right)$

$a = \text{int} = \bar{y} - b\bar{x}$ $b_0 = \bar{y} - b_1\bar{x}$

- always ... **passes thru (\bar{x}, \bar{y})**

- not **resistant** (the mean is in the formula)

- on calculator: * **STAT -> CALC -> 8:LinReg(a+bx) -> ENTER**
* **LinReg(a+bx) x-list, y-list, Y1**
* **Y1 is found at: VARS -> Y-VARS -> 1:Function -> 1:Y1 -> ENTER**

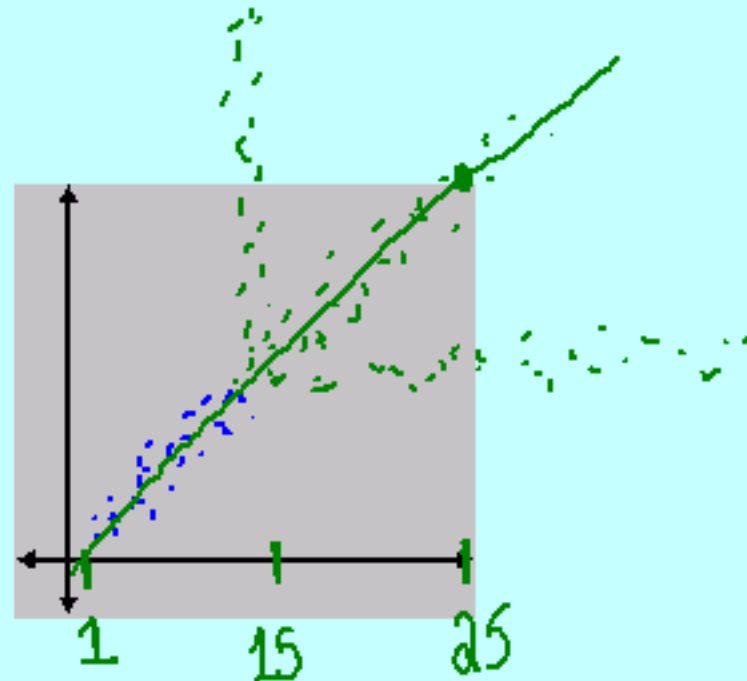
Corr

$$\begin{cases} r = \\ s_y = \\ s_x = \\ \bar{x} = \\ \bar{y} = \end{cases}$$

Vocab:

Extrapolation-

- using an x -value that's far outside of our sample
- Predicting using LSR line
- * not trustworthy



Coefficient of determination

symbol: r^2

calculation: square corr (r)

sentence interpretation:

r^2 % of the change in y-variable
that is due to the change in the
x-variable.

Example:

$$r = 0.5 \leftarrow \#$$

$$r^2 = 0.25 \leftarrow \%$$

Example:

Airfares worksheet

$r = 0.795$

$r^2 = 0.632$

Interpretation:

63.2% of the change in airfare
is due to the change in
distance traveled.


other factors:

36.8%

Airline
popularity
capacity

Seat
service

Interpret slope:


$$\frac{\Delta y}{\Delta x} = \frac{-\$0.1174}{1 \text{ miles}} \rightarrow \$11.74$$

For every 1 mile,
the airfare increases
by \$0.12.

Section 2.4

$$\hat{y} = 83.267 + 0.1174(370)$$

$$\hat{y} = \$126.70$$

$$Y_1(370) \quad 2842$$

$$138 - 126.70 = 11.30$$

$$258 - 259.56 =$$